FEATURING BEST PRACTICES OF STATE AGENCIES AND INSTITUTIONS OF THE COMMONWEALTH OF VIRGINIA

Purchase of Natural Gas

The College of William and Mary implemented this best practice in February 1993

Qualifying under the Best Practices catalogue

- 3 Provide Capabilities
- 33 Provide administrative support services
- 334 Provide facility services

Best Practice Summary (how it works, how you measure it)

Instead of the exclusive use of Tariff gas from the local gas utility company (VNG), The College of William and Mary has a contract in place to purchase natural gas through a gas transportation contractor. This contract provides the College the ability to decide, on a monthly basis, to either procure their natural gas requirement from VNG or the transporting contractor, dependent upon which source is the least expensive

Impact on the Process Organizational Performance (OUTCOMES)

Although transport gas from the contractor has been higher for any given month, by having the option to choose the source from which to purchase the College's supply of natural gas, the College knows the most it will pay is the tariff gas price. This contract has resulted in the College realizing annual savings ranging from \$19,406 for the year 1993 to \$192,886 in 1995.

Best Practice Qualification

Although there are other state agencies which are now utilizing transportation gas contracts, the College of William and Mary was not aware of another state agency that was doing so when it put the contract in place in 1993.

For Additional Information

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